



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.lacounty.gov>

DAVID E. JANSSEN  
Chief Administrative Officer

April 3, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF CONTRACT FOR  
CONTRACTORS LIABILITY INSURANCE PROGRAM AND  
SPECIAL EVENTS LIABILITY INSURANCE PROGRAM  
(ALL DISTRICTS – 3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the purchase of blanket commercial general liability insurance for the Contractors Liability Insurance Program (known as SPARTA) and the Special Events Liability Insurance Program (SELIP), through Municipality Insurance Services, Inc. (Municipality), at an annual cost of \$3,016, subject to anniversary premium adjustments or changes in County operations, for the period of May 1, 2007 through April 30, 2010.
2. Approve and instruct the Chairman to sign the attached Broker Services Contract with Municipality to administer the SPARTA and SELIP Programs for a three-year term, with two one-year renewal options exercisable by the Chief Administrative Officer (CAO).
3. Instruct the Auditor-Controller to pay program costs, adjustments, deductible amounts, and related loss expenditures as invoiced and validated by the CAO.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

We recommend purchasing the above coverages to assist contractors and special event sponsors, unable to obtain insurance at a reasonable cost, by providing them with economically priced alternatives to meet County of Los Angeles (County) liability insurance requirements. Contractor, event sponsor, and department participation is voluntary and, with the exception of the \$3,016 annual fee noted above; program costs will be funded through premiums paid to Municipality by participating contractors and event sponsors. A description of the two insurance programs are as follows:

### **SPARTA**

Every year, County departments enter into numerous contracts with a variety of service providers, contractors, vendors, and consultants (hereafter collectively referred to as "Contractors"). Contractors are required to indemnify the County and to maintain appropriate insurance, including general liability insurance, in order to protect the County from assuming indemnity and legal costs associated with claims and lawsuits arising from the Contractor's operations.

In some instances, small or newly formed businesses have been unable to secure, afford, or fully meet the County's liability insurance requirements. This has resulted in departments assuming financial responsibility for liability costs that are not paid by the Contractor or covered under the Contractor's insurance. Additionally, the County's reasonable requirement at times has made it difficult for these firms to compete on an equal footing with larger firms and participate in County contracting opportunities. SPARTA assists these Contractors (which may include minority, women-owned, and other disadvantaged business enterprises) in satisfying the County's requirements.

### **SELIP**

In order to protect departments from inadvertently assuming indemnity and legal costs associated with claims and lawsuits arising from special events, special event sponsors are required to indemnify the County and maintain general liability insurance.

Community groups, small businesses, and certain other event sponsors, including a large number of minority and disadvantaged community members, may be unable to secure, afford, or fully meet the County's reasonable liability insurance requirements, and thus be unable to utilize County facilities.

SELIP assists these event sponsors in satisfying the County's requirements.

### **Implementation of Strategic Plan Goals**

The recommended Board actions support the County's Strategic Plan Goal 1, Service Excellence, by providing County departments with Contractors and Special Events Liability Programs, which facilitates the public's access to quality services that are beneficial and responsive.

### **FISCAL IMPACT/FINANCING**

#### **SPARTA**

The County will pay Municipality an annual fee of \$515.88 to establish and maintain the SPARTA master blanket insurance policy. Insurance premium costs will be financed through premium charges assessed against participating Contractors. The program will provide a coverage limit of \$1 million per occurrence, insuring against third party liability arising from Contractor activities associated with their County contract, and premium rates will be based upon the scope of work performed. Subcontractors to participating prime Contractors are also eligible for this coverage.

Coverage will be subject to a deductible of \$500 per claim, which will be assessed against the responsible Contractor. In the event the Contractor is unable to pay the deductible, it will be charged to the department contracting for services. County departments may choose to recover deductible payments from the Contractor in any manner they determine appropriate.

#### **SELIP**

The County will pay Municipality an initial deposit fee of \$2,500 to establish and maintain the SELIP master blanket policy. This fee is fully refundable if more than \$2,500 in premiums is written within the annual policy period. The County expects a full refund as event sponsors paid more than \$83,000 in premiums for events held during the last 12 months.

Insurance premium costs will be financed through premium charges assessed against participating special event sponsors. The program will provide a coverage limit of \$1 million per occurrence, insuring against third party liability arising from events sponsored by outside parties at County facilities, and premium rates will be based on the type of special event.

Coverage will be subject to a deductible of \$250 per claim, which will be assessed against the event sponsor. Deductibles will be charged to the department whose facility hosted the event. Separate funding for the \$3,016 total cost of both programs is included in the Fiscal Year 2006-07 Insurance Budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Contractor, event sponsors, and department participation is entirely voluntary. Coverage limits, terms, and conditions are equivalent to those in the expiring policies. Contractors and event sponsors will submit applications for coverage directly to Municipality.

Municipality will provide quotes and issue certificates of insurance to the County, Contractors, and event sponsors.

The policies exclude coverage for pollution liability, and "high risk" contracting operations, such as aircraft maintenance, earthquake retro-fitting, and water main construction.

Municipality's SPARTA program is presently utilized by 297 public entities, including the City of Los Angeles, the City and County of San Francisco, and the County of San Bernardino. The SELIP program currently has 707 public entity users.

The term of the contract is for three years, and includes a provision, whereby the CAO may annually extend the Contract for up to two, one-year periods.

The Contract has been approved as to form by County Counsel and contains all required Board, CAO, and County provisions, including the County's Child Support Compliance Program, Consideration of GAIN/GROW Participants, Contractor Non-responsibility and Debarment, Contractor Employee Jury Service, and Safely Surrendered Baby Law.

This is not a Proposition A contract; therefore, not subject to the County Living Wage Program (*Los Angeles County Code Chapter 2.201*).

The Los Angeles County Community Business Enterprise (LAC/CBE) information form is attached (Attachment 1).

### **CONTRACTING PROCESS**

On October 18, 2006, the CAO issued a Request for Proposals (RFP) for the Contractors Liability Insurance Program and Special Events Liability Insurance Program. Notice was sent to 91 insurance brokers, including eight firms that met the LAC/CBE criteria. The RFP was advertised in the *Los Angeles Times*, *HOY*, *Acton/Agua Dulce News*, and the *Lynwood Journal*, and posted on the County's website (Attachment 2).

One proposal was submitted by Municipality, a woman-owned small business.

This Broker Services Contract does not include a cost-of-living increase.

### **IMPACT ON CURRENT SERVICES**

Renewal of these programs will assist contractors and special event sponsors who otherwise might be unable to obtain general liability insurance which satisfies County requirements.

### **CONCLUSION**

Upon approval by your Board, please return two signed originals of the Contract and one adopted-stamped copy of the letter to the CAO Risk Management Branch, attention Rocky A. Armfield, County Risk Manager.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:RAA  
DU:AMR:tv

Attachments

c: Executive Officer, Board of Supervisors  
County Counsel  
Auditor-Controller

## County of Los Angeles – Community Business Enterprise Program (CBE)

Request for Local SBE Preference Program Consideration and  
CBE Firm/Organization Information Form

**INSTRUCTIONS:** All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

**I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

FIRM NAME: \_\_\_\_\_

☒ I AM NOT ☐ A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bids submission.

☐ As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number : 52764701**II. FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

<b>Business Structure:</b> <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Please Specify) _____						
<b>Total Number of Employees (including owners):</b> <u>3</u>						
<b>Race/Ethnic Composition of Firm.</b> Please distribute the above total number of individuals into the following categories:						
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American						
Hispanic/Latino				/		
Asian or Pacific Islander						
American Indian						
Filipino						
White		/				/

**III. PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed.

	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	%	%	%	%	%	%
Women	%	%	%	%	%	100 %

**IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:**  
If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)

Agency Name	Minority	Women	Dis- advantaged	Disabled Veteran	Expiration Date

**V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.**

Print Authorized Name <u>CAROL A. FRIST</u>	Authorized Signature <u>[Signature]</u>	Title <u>PRESIDENT-CEO</u>	Date <u>12-19-06</u>
--	--	-------------------------------	-------------------------



## ATTACHMENT 2

## Bid Detail Information

**Bid Number :** CAO01-066

**Bid Title :** Contractors Liability Insurance Program and Special Events Liability Insurance Program

**Bid Type :** Commodity / Service

**Department :** Chief Administrative Office

**Commodity :** INSURANCE - LIABILITY, GENERAL

**Open Date :** 10/18/2006

**Closing Date :** 12/21/2006 11:00 AM

**Bid Amount :** N/A

**Bid Download :** [Available](#)

**Bid Description :** The County of Los Angeles is issuing a Request for Proposals (RFP) for contractors liability insurance program and special events liability insurance program. Written questions regarding this RFP are due by November 9, 2006. Proposals are due by 11:00 a.m. (PST), December 21, 2006.

**Amendment  
Date : 10/17/2006** Appendix C Tech Exhibit 11 Part 2

**Download Available** Appendix C Tech Exhibit 11 Part 2

PDF 1314.03 K [RFPAppendixCTechExhibit11Part2.pdf](#)

**Amendment  
Date : 10/17/2006** Appendix C Tech Exhibit 12

**Download Available** Appendix C Tech Exhibit 12

PDF 2552.58 K [RFPAppendixCTechExhibit12.pdf](#)

**Amendment  
Date : 10/17/2006** Appendices D through K

**Download Available** APPENDICES D THROUGH K

PDF 573.06 K [RFPAppendicesDthroughK.pdf](#)

**Contact Name :** Ann Rain

**Contact Phone# :** (213) 738-2199

**Contact Email :** [arain@cao.lacounty.gov](mailto:arain@cao.lacounty.gov)

**Last Changed On :** 10/17/2006 5:41:26 PM

[Back to Last Window](#)







**CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**MUNICIPALITY INSURANCE SERVICES, INC.**

**FOR**

**CONTRACTORS LIABILITY INSURANCE PROGRAM AND**

**SPECIAL EVENTS LIABILITY INSURANCE PROGRAM**

# CONTRACT PROVISIONS TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
RECITALS .....		1
1.0	APPLICABLE DOCUMENTS .....	1
2.0	DEFINITIONS.....	2
3.0	WORK.....	3
4.0	TERM OF CONTRACT .....	4
5.0	CONTRACT SUM .....	4
6.0	ADMINISTRATION OF CONTRACT - COUNTY.....	6
6.1	COUNTY'S PROJECT DIRECTOR .....	6
6.2	COUNTY'S PROJECT MANAGER .....	7
6.3	COUNTY'S CONTRACT PROJECT MONITOR .....	7
7.0	ADMINISTRATION OF CONTRACT - CONTRACTOR .....	7
7.1	CONTRACTOR'S PROJECT MANAGER .....	7
7.2	APPROVAL OF CONTRACTOR'S STAFF .....	8
7.3	CONTRACTORS STAFF IDENTIFICATION .....	8
7.4	BACKGROUND AND SECURITY INVESTIGATIONS.....	8
7.5	CONFIDENTIALITY.....	9
8.0	STANDARD TERMS AND CONDITIONS .....	10
8.1	ASSIGNMENT AND DELEGATION.....	10
8.2	AUTHORIZATION WARRANTY.....	10
8.3	BUDGET REDUCTIONS.....	10
8.4	CHANGE NOTICES AND AMENDMENTS .....	11
8.5	COMPLAINTS.....	12
8.6	COMPLIANCE WITH APPLICABLE LAW .....	12
8.7	COMPLIANCE WITH CIVIL RIGHTS LAWS.....	13
8.8	COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM .....	13
8.9	CONFLICT OF INTEREST.....	15
8.10	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE- EMPLOYMENT LIST .....	16
8.11	CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS .....	16
8.12	CONTRACTOR RESPONSIBILITY AND DEBARMENT .....	17
8.13	CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW .....	20
8.14	CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM .....	20
8.15	COUNTY'S QUALITY ASSURANCE PLAN .....	21
8.16	EMPLOYMENT ELIGIBILITY VERIFICATION .....	21
8.17	FACSIMILE REPRESENTATIONS .....	22
8.18	FAIR LABOR STANDARDS .....	22
8.19	GOVERNING LAW, JURISDICTION, AND VENUE .....	22
8.20	INDEPENDENT CONTRACTOR STATUS.....	23
8.21	INDEMNIFICATION.....	24
8.22	GENERAL INSURANCE REQUIREMENTS .....	24
8.23	INSURANCE COVERAGE REQUIREMENTS.....	26
8.24	LIQUIDATED DAMAGES .....	28
8.25	NONDISCRIMINATION AND AFFIRMATIVE ACTION .....	29
8.26	NON EXCLUSIVITY.....	30
8.27	NOTICE OF DELAYS.....	30

# **CONTRACT PROVISIONS TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.28	NOTICE OF DISPUTES .....	31
8.29	NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT .....	31
8.30	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW .....	31
8.31	NOTICES .....	31
8.32	PROHIBITION AGAINST INDUCEMENT OR PERSUASION .....	32
8.33	PUBLIC RECORDS ACT .....	32
8.34	PUBLICITY .....	33
8.35	RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT .....	33
8.36	RECYCLED BOND PAPER .....	35
8.37	SUBCONTRACTING .....	35
8.38	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM .....	37
8.39	TERMINATION FOR CONVENIENCE .....	37
8.40	TERMINATION FOR DEFAULT .....	38
8.41	TERMINATION FOR IMPROPER CONSIDERATION .....	40
8.42	TERMINATION FOR INSOLVENCY .....	41
8.43	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE .....	42
8.44	TERMINATION FOR NON-APPROPRIATION OF FUNDS .....	42
8.45	VALIDITY .....	42
8.46	WAIVER .....	43
8.47	WARRANTY AGAINST CONTINGENT FEES .....	43

<b>SIGNATURE PAGE .....</b>	<b>44</b>
-----------------------------	-----------

## **STANDARD EXHIBITS**

- A STATEMENT OF WORK (including Technical Exhibits 1 – 3)
- B COUNTY'S NOVEMBER 2005 REQUEST FOR PROPOSALS (incorporated by reference only)
- C CONTRACTORS INSURANCE PROGRAMS
  - C1 – CONTRACTORS LIABILITY
  - C2 – SPECIAL EVENTS
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
- G FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION
  - G1 CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND  
CONFIDENTIALITY AGREEMENT
  - G2 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGMENT AND  
CONFIDENTIALITY AGREEMENT
- H JURY SERVICE ORDINANCE
- I SAFELY SURRENDERED BABY LAW

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
MUNICIPALITY INSURANCE SERVICES, INC.  
FOR  
CONTRACTORS LIABILITY INSURANCE PROGRAM AND  
SPECIAL EVENTS LIABILITY INSURANCE PROGRAM**

This Contract and Exhibits made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2007 by and between the County of Los Angeles, hereinafter referred to as County and Municipality Insurance Services, Inc., hereinafter referred to as Contractor, is located at 302 W. Cerritos Avenue, Bldg. #7, Anaheim, CA 92805-6550.

**RECITALS**

WHEREAS, the County may contract with private businesses for Insurance Broker Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Insurance Broker Services,

Therefore, County and Contractor hereby agree as follows:

**1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, and I, attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict

or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority:

**Standard Exhibits:**

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - County's September 2006 Request for Proposals  
(incorporated by reference)
- 1.3 EXHIBIT C – Contractor's Insurance Programs
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

## **2.0 DEFINITIONS**

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 Broker of Record:** The brokerage firm selected through a competitive solicitation process to place coverage and administer a County insurance program for a designated period, also referred to as Contractor herein.
- 2.2 Broker's Compensation:** A percentage of the amount of the insurance premium to be paid to the Contractor as full compensation for the placement and on-going administration of a County insurance program.

- 2.3 Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.4 Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.5 Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.6 County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by Contractor.
- 2.7 County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.8 County Project Manager:** Person designated by County's Project Director to manage the operations under this Contract.
- 2.9 Day(s):** Calendar day(s) unless otherwise specified.
- 2.10 Department:** The Chief Administrative Office
- 2.11 Fiscal Year:** The twelve (12) month period beginning July 1<sup>st</sup> and ending the following June 30<sup>th</sup>.
- 2.12 Insurance Premium:** The amount due in one sum or periodically for an insurance policy that includes all taxes and fees, but excludes broker's compensation.
- 2.13 Policy Period:** The period that the policy is in effect. Generally, the policy period is for a 12 month period but may be negotiated for longer periods.

### **3.0 WORK**

- 3.1** Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the *Statement of Work, Exhibit A*.

- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

#### **4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall be three (3) years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole option to extend the Contract term for up to two (2) additional one-year periods for a maximum total Contract term of five (5) years. Each such option and extension shall be exercised at the sole discretion of the Chief Administrative Officer or County Risk Manager. County Program Manager shall give ninety (90) days prior written Notice of Intent to Contractor of County's intention to exercise said option.
- 4.3 In the event of expiration or prior termination of the term of this Contract, the Contractor shall fully cooperate with County to provide for the transition to whatever service replacement method the County determines to be in its best interest.
- 4.4 Contractor shall notify the CAO when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send such written notification to the address herein provided in *Exhibit E - County's Administration*.

#### **5.0 CONTRACT SUM**

- 5.1 Contractor shall provide all the services specified in Exhibit A, Statement of Work, for the commission agreed to be paid by the insurer(s) to the Contractor up to the maximum total commission rate of 12% of the insurer's premium per policy period. No amount shall be payable by County to Contractor.



- 5.2 The "Contract Sum" shall consist of the annual insurance premium, including all applicable taxes, and Commission which shall include any contingent commissions or rebates from any insurer for placing or renewing this insurance with insurer(s).
- 5.3 Contractor shall rebate to the County any and all commissions that exceed the above commission amount and provide a detailed accounting report that clearly documents the commission percentages and amounts for each participating insurer and any other documentation required by the County or its auditors. The accounting report shall include an acknowledgement by the Contractor's fiscal officer that the report is accurate and any and all commissions received by Contractor for placement of insurance under this Contract that exceeds the total commission amount is rebated to the County.
- 5.5 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.
- 5.6 No Payment for Services Provided Following Expiration/Termination of Contract**
- Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such

payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

## **5.7 Invoices and Payments**

5.7.1 The Contractor's invoice will identify by each insurer the premium, taxes, fees and commission in a format approved by County Project Monitor.

5.7.2 Contractor shall provide any supporting documents required by the County Project Manager or Monitor to approve the invoice and authorize payment.

5.7.3 Contractor shall arrange to have the invoice with required supporting documentation delivered to County Project Manager at least fifteen (15) working days before the premium payment is due to insurer(s).

## **5.8 County Approval of Invoices**

All invoices submitted by the Contractor for payment must have the written approval of the County Project Manager or County Project Monitor prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld, and in no instance will such approval take more than two (2) weeks from receipt of properly prepared invoices by the County.

# **6.0 ADMINISTRATION OF CONTRACT - COUNTY**

## **COUNTY ADMINISTRATION**

A listing of all County Administration referenced in the following Sub-paragraphs are designated in *Exhibit E - County's Administration*. The County shall notify the Contractor in writing of any change in the names or addresses shown.

## **6.1 County Project Director**

Responsibilities of the County Project Director include:

- ensuring that the objectives of this Contract are met;

- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.4, Change Notices and Amendments; and

## **6.2 County Project Manager**

The responsibilities of the County Project Manager include:

- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.
- meeting with Contractor Project Manager on a regular basis; and
- monitor services, or other work provided by Contractor.

The County Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

## **6.3 County Contract Project Monitor**

The County Contract Project Monitor is responsible for overseeing the day-to-day administration of this Contract which includes:

- meeting with Contractor Project Manager on a regular basis;
- inspecting the deliverables, goods, services, or other work provided by or on behalf of Contractor, and
- Coordinate of claims, insurance inspection and insurance renewal with Contractor.

The County Contract Project Monitor reports to the County Project Manager.

# **7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

## **7.1 Contractor Project Manager**

7.1.1 Contractor Project Manager is designated in *Exhibit F - Contractor's Administration*. The Contractor shall notify the County in writing of any change in the name or address of the Contractor Project Manager.

7.1.2 Contractor Project Manager shall be responsible for Contractor day-to-day activities as related to this Contract and shall

coordinate with County Project Manager and County Contract Project Monitor on a regular basis.

## **7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of Contractor staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor Project Manager.

## **7.3 Contractors Staff Identification**

7.3.1 Contractor shall provide all staff assigned to this Contract with a photo identification badge in accordance with County specifications. Specifications may change at the discretion of the County and Contractor will be provided new specifications as required. The format and content of the badge is subject to the County's approval prior to the Contractor implementing the use of the badge. Contractor staff, while on duty or when entering a County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.

7.3.2 Contractor shall notify the County within one (1) business day when staff is terminated from working on this Contract. Contractor is responsible to retrieve and immediately destroy the staff's County photo identification badge at the time of removal from the Contract.

7.3.3 If County requests the removal of Contractor's staff, Contractor is responsible to retrieve and immediately destroy the Contractor's staff's County photo identification badge at the time of removal from working on the Contract.

## **7.4 Background and Security Investigations**

7.4.1 At any time prior to or during term of this Contract, the County may require that all Contractor staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and

continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.

7.4.2 County may request that Contractor's staff be immediately removed from working on the County Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County conducted background clearance.

7.4.3 County may immediately deny or terminate facility access to Contractor's staff who do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access, at the sole discretion of the County.

7.4.4 Disqualification, if any, of Contractor staff, pursuant to this Subparagraph 7.4, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

## **7.5 Confidentiality**

The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the

*"Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit G1.*

The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the *"Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit G2.*

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 ASSIGNMENT AND DELEGATION**

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the CAO. Any unapproved assignment or delegation shall be null and void. Any payments by the CAO to any approved delegate or assignee on any claim under this Contract shall be deductible, at CAO's sole discretion, against the claims, which the Contractor may have against the County.

8.1.2 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without CAO's express prior written approval, may result in the termination of this Contract.

### **8.2 AUTHORIZATION WARRANTY**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.3 BUDGET REDUCTIONS**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar

reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year services provided by the Contractor under the Contract. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. The Contractor shall continue to provide all of the services set forth in the Contract.

#### **8.4 CHANGE NOTICES AND AMENDMENTS**

- 8.4.1 The County reserves the right to initiate Change Notices that **do not affect** the scope, term, Contract Sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by the County Project Director or designee.
- 8.4.2 For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Chief Administrative Officer.
- 8.4.3 The County's Board of Supervisors or Chief Administrative Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by County Project Director or designee.
- 8.4.4 The Chief Administrative Officer or County Risk Manager, may at his sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions.

To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by Chief Administrative Officer or his designee.

## **8.5 COMPLAINTS**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

Within thirty (30) business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

8.5.1 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.5.2 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.

8.5.3 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

The Contractor shall preliminarily investigate all complaints and notify the County Project Manager of the status of the investigation within five (5) business days of receiving the complaint.

When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

Copies of all written responses shall be sent to the County Project Manager within three (3) business days of mailing to the complainant.

## **8.6 COMPLIANCE WITH APPLICABLE LAW**

8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.



8.6.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

## **8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with *Exhibit D - Contractor's EEO Certification*.

## **8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as *Exhibit H* and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy.**

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of

the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 CONFLICT OF INTEREST**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing

evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

**8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give **first consideration** for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

**8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open

position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**8.12.1** A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

**8.12.2** The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time not to exceed five years but may exceed five or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

**8.12.3** The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively

reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

**8.12.4** If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

**8.12.5** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

**8.12.6** After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**8.12.7** If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of

debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

**8.12.8** The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**8.12.9** These terms shall also apply to Subcontractors of County Contractors.

**8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

**8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

**8.14.1** The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

**8.14.2** As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services



Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

#### **8.15 COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

#### **8.16 EMPLOYMENT ELIGIBILITY VERIFICATION**

The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the

County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

#### **8.17 FACSIMILE REPRESENTATIONS**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

#### **8.18 FAIR LABOR STANDARDS**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

#### **8.19 GOVERNING LAW, JURISDICTION, AND VENUE**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## 8.20 INDEPENDENT CONTRACTOR STATUS

- 8.20.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.20.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.
- 8.20.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.
- 8.20.4 As previously instructed in Sub-paragraph 7.5 - Confidentiality, the Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "*Contractor Employee Acknowledgment and Confidentiality Agreement*", *Exhibit G1*. The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "*Contractor Non-Employee Acknowledgment and Confidentiality Agreement*", *Exhibit G2*.

## **8.21 INDEMNIFICATION**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

## **8.22 GENERAL INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

**8.22.1 Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to the County Project Manager prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and

- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**8.22.2 Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A-:VII unless otherwise approved by the County.

**8.22.3 Failure to Maintain Coverage:** Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**8.22.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:**

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in

writing within twenty-four (24) hours of occurrence.

- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Project Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

**8.22.5 Compensation for County Costs:** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

**8.22.6 Insurance Coverage Requirements for Subcontractors:**

The Contractor shall ensure any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of subcontractors, or
- The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

**8.23 INSURANCE COVERAGE REQUIREMENTS**

**8.23.1 General Liability** insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million  
Personal and Advertising Injury: \$1 million  
Each Occurrence: \$1 million

**8.23.2 Automobile Liability** written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

**8.23.3 Workers' Compensation and Employers' Liability** insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 million  
Disease - policy limit: \$1 million  
Disease - each employee: \$1 million

**8.23.4 Professional Liability:** Insurance covering liability arising from any error, omission, negligent or wrongful act of the contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$1 million aggregate. The coverage also shall provide an extended two year reporting period commencing upon termination or cancellation of this Agreement.

**8.23.5 Crime Coverage:** Insurance with limits in amounts not less than indicated below covering against loss of money, securities,

or other property referred to in this Agreement, and naming the County as loss payee.

Employee Dishonesty:	\$25,000
Forgery or Alteration:	\$25,000
Theft, Disappearance and Destruction:	\$25,000
Burglary and Robbery:	\$25,000

## **8.24 LIQUIDATED DAMAGES**

- 8.24.1 The Contractor and the County agree that the County will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the cost to have County employees provide the services Contractor fails to provide, lost time and additional overhead in conducting County's business, and the costs to increase monitoring and enforce the provisions of this Contract. If Contractor fails to perform agreed services indicated in Sections 1.3, 1.4, 2, 3 or 5 of the Statement of Work, Exhibit A of this Contract, or failed to perform such services within the time specified in accordance with the terms of this Contract, Contractor may be assessed one hundred dollars (\$100) per day, per deficiency, so long as such deficiency is not cured.
- 8.24.2 As provided under this Agreement, County's Program Manager shall serve written notice upon Contractor of any deficiency noted. Contractor shall have up to ten (10) calendar days after receipt of deficiency notice to remedy the deficiency before liquidated damages are assessed.
- 8.24.3 Nothing in this Section 8.24, or elsewhere in this Agreement, shall prevent or limit the County from recovering against any insurance and/or bond which is required to be maintained by Contractor. If Contractor fails to maintain any such insurance and/or bond, then Contractor shall be responsible to County for any and all direct damages.



## **8.25 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

- 8.25.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.25.2 The Contractor shall certify to, and comply with, the provisions of *Exhibit D - Contractor's EEO Certification*.
- 8.25.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.25.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.25.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise

subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.25.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.25 when so requested by the County.

8.25.7 If the County finds that any provisions of this Sub-paragraph 8.25 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

8.25.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

#### **8.26 NON EXCLUSIVITY**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict the CAO from acquiring similar, equal or like goods and/or services from other entities or sources.

#### **8.27 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

#### **8.28 NOTICE OF DISPUTES**

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County Project Manager or County Project Director is not able to resolve the dispute, the Chief Administrative Officer, or designee shall resolve it.

#### **8.29 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No.1015.

#### **8.30 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Exhibit 1* of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

#### **8.31 NOTICES**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage

prepaid, addressed to the parties as identified in *Exhibits E - County's Administration and F - Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Chief Administrative Officer shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

### **8.32 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

### **8.33 PUBLIC RECORDS ACT**

8.33.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.35 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.33.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

#### **8.34 PUBLICITY**

8.34.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.34.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.34 shall apply.

#### **8.35 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with

generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.35.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.35.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph 8.35 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.35.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

#### **8.36 RECYCLED BOND PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

#### **8.37 SUBCONTRACTING**

8.37.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.37.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;

- A draft copy of the proposed subcontract; and
  - Other pertinent information and/or certifications requested by the County.
- 8.37.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.37.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.37.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.
- 8.37.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees.
- 8.37.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.37.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to the County Project Manager before any subcontractor employee may perform any work hereunder.



### **8.38 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of Contractor to cure such default within 90 calendar days of within notice shall be grounds upon which the County may terminate this Contract pursuant to Sub-paragraph 8.40 - Termination for Default and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

### **8.39 TERMINATION FOR CONVENIENCE**

8.39.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.39.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.39.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in

accordance with Sub-paragraph 8.35, Record Retention & Inspection/Audit Settlement.

#### **8.40 TERMINATION FOR DEFAULT**

8.40.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- Contractor has materially breached this Contract;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- Contractor fails to demonstrate it has the financial capability to maintain the services necessary to administer this insurance program as indicated in Section 5.2 of the Statement of Work, Exhibit A.

8.40.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.40.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.40.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.40.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.40.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

8.40.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.40, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.40, or that the default was excusable under the provisions of Sub-paragraph 8.40.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.39 - Termination for Convenience.

8.40.5 In the event the County terminates this Contract in its entirety due to the Contractor's default as provided in Sub-paragraph 8.40.1, the Contractor and the County agree that the County will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the County's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the Contractor and the County agree that the County shall, at its sole option and in lieu of the provisions of Sub-paragraph 8.40.2, be entitled to liquidated damages from the Contractor, pursuant to California Civil Code Section 1671, in the amount of One Thousand Dollars (\$1,000) or 15 percent (15%) of the applicable year's Contract sum, whichever is less, as equitable compensation to the County for such actual damages. This amount of liquidated damages shall be either paid by the Contractor to the County by cash payment upon demand or, at the sole discretion of the Chief Administrative Office, or designee, deducted from any amounts due to the Contractor by the County, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Contract, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.21 - Indemnification.

8.40.6 The rights and remedies of the County provided in this Sub-paragraph 8.40 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.41 TERMINATION FOR IMPROPER CONSIDERATION**

8.41.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered

or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.41.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.41.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **8.42 TERMINATION FOR INSOLVENCY**

8.42.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
  - The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
  - The appointment of a Receiver or Trustee for the Contractor;
- or

- The execution by the Contractor of a general assignment for the benefit of creditors.

8.42.2 The rights and remedies of the County provided in this Sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.43 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

#### **8.44 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

#### **8.45 VALIDITY**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

#### **8.46 WAIVER**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.46 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.47 WARRANTY AGAINST CONTINGENT FEES**

8.47.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.47.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

SIGNATURE PAGE

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: Municipality Insurance  
Services, Inc

By

Name

Title

COUNTY OF LOS ANGELES

By

Chair, Board of Supervisors

ATTEST:

SACHI A. HAMAI  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
County Counsel

By

Senior Deputy County Counsel

2/22/07

g/amr/Contractors Liability - SELIP/RFP 2006/Board Letter 2007 - Contract - FINAL 2-22-07



**CONTRACT FOR CONTRACTORS LIABILITY INSURANCE PROGRAM  
AND SPECIAL EVENTS LIABILITY INSURANCE PROGRAM**

**TABLE OF CONTENTS OF EXHIBITS**

**STANDARD EXHIBITS**

- A      STATEMENT OF WORK (includes Technical Exhibits 1 - 3)
  
- B      COUNTY'S SEPTEMBER 2006 REQUEST FOR PROPOSALS  
         (incorporated by reference)
  
- C      **CONTRACTORS INSURANCE PROGRAMS**
  - C1     CONTRACTORS LIABILITY
  - C2     SPECIAL EVENTS
  
- D      CONTRACTOR'S EEO CERTIFICATION
  
- E      COUNTY'S ADMINISTRATION
  
- F      CONTRACTOR'S ADMINISTRATION
  
- G      **FORM(S) REQUIRED AT THE TIME OF CONTRACT EXECUTION**
  - G1     CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
         AGREEMENT
  - G2     CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
         AGREEMENT
  
- H      JURY SERVICE ORDINANCE
  
- I      SAFELY SURRENDERED BABY LAW

**EXHIBIT A**  
**STATEMENT OF WORK**

**TABLE OF CONTENTS**

<b>SECTION</b>	<b>TITLE</b>	<b>PAGE</b>
<b>1.0</b>	<b>CONTRACTOR'S SERVICES .....</b>	<b>3</b>
1.1	Renewal of Coverages.....	3
1.2	Administration of Policy(ies) .....	3
1.3	Claims Services .....	4
1.4	Other Services.....	5
<b>2.0</b>	<b>CONTRACTOR'S PERSONNEL .....</b>	<b>5</b>
<b>3.0</b>	<b>CONTRACTOR'S AVAILABILITY .....</b>	<b>5</b>
<b>4.0</b>	<b>CONTRACTOR'S OFFICE .....</b>	<b>6</b>
<b>5.0</b>	<b>ANNUAL FINANCIAL STATEMENT .....</b>	<b>6</b>

## **STATEMENT OF WORK (SOW)**

### **1.0 CONTRACTOR'S SERVICES**

Contractor shall provide the services required by the County including but not limited to the following:

#### **1.1 Renewal of Coverages**

- a. Assess insurance market condition and determine impact on program renewal and recommend any actions to be taken to minimize the impact of a "hard" market and maximize the opportunity of a "soft" market.
- b. Conduct or arrange for studies, reviews, analyses and inspections that may be needed by underwriters, and/or to determine adequacy of coverages and limits, as requested by County.
- c. Review program structure to ensure required coverages and limits are available at competitive costs and there are no gaps or overlaps in policies.
- d. Market program, obtain quotations, and place required insurance coverage with financially secure companies that meet County's qualifications at a cost effective premium.
- e. Control or limit of commissions and fees charged by wholesalers and other intermediaries, if wholesalers or other intermediaries are used.

#### **1.2 Administration of Policy(ies)**

- a. Comprehensive review of insurance binders, policies, endorsements, certificates and other documents to ensure work is complete and accurate and to advise of and correct any deficiency or non-compliance. Contractor shall evidence this comprehensive review by affixing the signature of an officer of their company to each page of the coverage documents.
- b. Evaluate and continue to monitor insurer's financial status, advise immediately of any downgrading of insurer's financial status, evaluate impact to the County and recommend actions to be taken to protect the County's interest.
- c. Provide early warning of rate and coverage changes and probable impact on County's program. Recommend coverage changes, as necessary.

---

**STATEMENT OF WORK**

---

- d. Service each policy issued under this program to the County. This includes, but is not limited to, processing all changes and endorsements and verifying the accuracy of invoices and certificates of insurance.
- e. Provide assistance with coverage questions, and consult with County regarding the coverages placed.
- f. Process in a timely manner and be responsible for any funds to or from the County that are entrusted to the Contractor until the entrusted funds are disbursed and received by the designated payee. This responsibility shall continue beyond the Contract's expiration date until all the entrusted funds are received by the payees.
- g. Recommend methods or procedures that would more efficiently expedite the flow of information and documents.
- h. Provide a variety of periodic reports as required by the County to enable analysis of risks and coverages, compliance with insurance requirements and monitoring of claims and coverage limits; the reports shall include but not be limited to a listing of participating parties, participating County departments, listing of claims, allocation of premiums, listing of certificates issued, etc.
- i. Assist with insurance policy wording changes to meet the needs of the County when necessary.
- j. Provide objective performance measures and premium goal(s)/target(s) that can be used by County Program Manager to determine whether the County will exercise its option to extend the Broker Services Agreement. County has two one-year options to extend the Contract beyond the three year term.

### **1.3 Claims Services**

Assist the County in management of claims and litigation to their conclusion by providing the full range of claims services at no additional cost. This would include, at a minimum, the following:

- a. Review the adequacy and timeliness of all loss runs and reports and make changes as needed.
- b. Provide expert assistance on coverage and policy interpretation relative to the claim and litigation.
- c. Assist the County in resolving all outstanding disputes and collect any resulting judgment or settlement payments owed the County in a timely manner.

- d. Attend meetings regarding the program's claims process or relating to any claim or litigation submitted under this insurance program.

#### **1.4 Other Services**

- a. Provide advisement on other insurance products/coverages if requested by the County.
- b. Provide, with the concurrence or at the request of the County's Program Manager, seminars and training sessions for the benefit of County personnel relating to commercial insurance programs.

### **2.0 CONTRACTOR'S PERSONNEL**

#### **2.1 Contractor's Program Manager**

The Contractor's Program Manager shall be a full-time employee of Contractor, and any replacement of this Program Manager shall be subject to written approval by the County's Program Manager. The Contractor's Program Manager shall have overall responsibility for the performance of the Contractor's activities under the Contract and shall be authorized to act for and bind the Contractor in all matters relating to the administrative aspects of this Contract.

- 2.2 The Contractor shall provide qualified personnel to perform work and provide deliverables as indicated in the Contract. The Contractor shall ensure that its staff possesses the required professional licenses and certificates required by State of California, and a sufficient number of competent personnel to adequately perform Contractor's services, as described in this Statement of Work, on a timely basis. The County may assess liquidated damages against the Contractor as specified in Subparagraph 8.25 of the Contract.

- 2.3 The County reserves the right to require replacement of the Contractor's personnel. The Contractor shall provide County with two weeks notice (10 business days) of any proposed changes in the Contractor's assigned personnel. In each instance, the Contractor shall provide the County Program Manager, or his/her designee with a resume of the proposed replacement and an opportunity to interview the person prior to assigning a person to the project.

### **3.0 CONTRACTOR'S AVAILABILITY**

- 3.1 Contractor shall maintain normal office hours from at least 8:30 a.m. to 5:00 p.m., Monday through Friday, excluding County-recognized holidays. The County's Contract Project Monitor will provide a list of the County holidays to

the Contractor at the time the Contract is approved, and annually, at the beginning of the calendar year.

- 3.2 Contractor's claims staff shall be accessible 24 hours a day, seven days a week, to the County Program Manager and/or other County staff for emergency consultation and immediate report of losses.

#### 4.0 CONTRACTOR'S OFFICE

The Contractor shall notify the County's Program Manager in writing of the Contractor's intent to move and change its location, at least 30 business days prior to the effective date.

#### 5.0 ANNUAL FINANCIAL STATEMENT

- 5.1 Contractor shall submit their most current financial statements (preferably audited) or a performance bond no later than 90 days prior to the annual insurance policy renewal or placement of a new policy. The Contractor shall also submit any additional information required by the Auditor-Controller to confirm that the Contractor has the financial capability of maintaining the services necessary for the efficient administration of this insurance program.

- 5.2 The County will assess the financial statements of the Contractor and assign one of the following ratings as to its financial status: Excellent-Good, Fair, or Poor. Based on this assessment, the following actions will be taken:

**Excellent – Good rating** – the Contractor will continue to provide a full range of services, including handling of premium and settlement payments.

**Fair rating** – the Contractor will continue to provide the required services, except all premium payments due from the County will be directly processed by the County to the insurer(s), or Contractor will provide a bond guaranteeing the fiduciary responsibility to the County as required by the County's Program Manager. If the County processes the premium payment(s), Contractor will reimburse the County for its total cost, as determined by the County, including any administrative and accounting cost to arrange, issue, and reissue (if required) each check. At the sole discretion of the County, it may charge a flat fee of \$250 for each check it issues which would include any re-issuance cost. The County may deduct this cost from any commission owed the Contractor.

**Poor rating** – Contractor will fully cooperate with County in transferring this insurance program to the brokerage firm designated by the County. In addition to Subparagraph 8.42, Termination for Default, of this Contract, Contractor shall be required to return to the County any unearned commission, as determined by County within 30 days of receiving notice of a Poor rating.

**CONTRACT DISCREPANCY REPORT****TO:****FROM:**

**DATES:**      **Prepared:** \_\_\_\_\_  
                 **Returned by Contractor:** \_\_\_\_\_  
                 **Action Completed:** \_\_\_\_\_

**DISCREPANCY/PROBLEMS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_  
Signature of County Representative\_\_\_\_\_  
Date**CONTRACTOR RESPONSE (Identify Cause and Corrective Action Taken):** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_  
Signature of Contractor Representative\_\_\_\_\_  
Date**COUNTY EVALUATION OF CONTRACTOR RESPONSE:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_  
Signature of County Representative\_\_\_\_\_  
Date**COUNTY ACTIONS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_**CONTRACTOR NOTIFIED OF ACTION:**

County Representative's Signature and Date \_\_\_\_\_

Contractor Representative's Signature and Date \_\_\_\_\_

9/12/06



**PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
Contract: Paragraph 7.0 – Administration of Contract – Contactor	Contractor shall notify in writing of any change in name or address of the Contractor's Project Manager	Observation	\$50 per occurrence
Contract: Paragraph 7.5 – Confidentiality	Contractor Confidentiality Statements signed	Audit/Form on File	\$100 per occurrence
Contract: Sub-paragraph – 8.22.4 Notification of Incidents, Claims or Suits	Contractor to notify County in writing within 24 hours of any accident or incident relating to services performed under this Contractor which may involve filing a lawsuit or claim against the Contractor and/or County	Observation and Documentation	\$500 if submitted more than 7 business days after Contractor's knowledge of claim or lawsuit
Contract Sub-paragraph 8.22.1 – Evidence of Insurance	Contractor fails to provide current insurance certificates after County's written request to the required address.	Receipt of Insurance certificates	\$100 per occurrence
Contract Paragraph 8.35 Record Retention and Inspection/Audit Settlement	Contractor to maintain all required documents as specified in section 8.35.	Inspection of Files	\$50 per occurrence
Contract Sub-paragraph 8.40.5 – Termination for Default	Contractor has materially breached contract; fails to perform tasks; fails to timely fulfill performance requirements.	Observation and Documentation	\$1,000
Statement of Work 1.2 h. Administration of Policies	Contractor shall submit monthly summary reports	Observation and Documentation	\$50 per occurrence
Statement of Work Sub-paragraph 1.3 Claims Services	Contractor shall ensure attendance at meetings as requested.	Observation	\$50 per occurrence

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
Statement of Work Sub-Paragraph 2.2 Contractor Services	Contractor shall ensure employees are knowledgeable and competent to perform work under this Contract.	Inspection & Observation	\$50 per occurrence
Statement of Work Sub-Paragraph 2.2 Contractor Services	Contractor shall ensure staff possesses the required professional licenses and certificates.	Observation and Documentation	Notice to cure within 10 business days.

10/3/06

g/amr/RFP 2006/Board Letter 2007 - Technical Exhibits 1 – 2

# **TECHNICAL EXHIBIT 3**

## **INSURANCE SPECIFICATIONS AND REQUIREMENTS**

**FOR**

**I. CONTRACTORS LIABILITY INSURANCE**

**AND**

**II. SPECIAL EVENTS LIABILITY INSURANCE**

## **PROPOSED SPECIFICATIONS AND REQUIRED CONDITIONS**

The following is an outline of specific coverages and policy requirements which should be considered as minimum requirements for each program, as follows: I. Contractors Liability Insurance and II. Special Events Liability. This information is provided to assist proposers in the development of their proposal.

### **I. CONTRACTORS LIABILITY INSURANCE**

Note: For the purposes of this coverage, contractors, service providers, lessees and tenants shall be referred to collectively herein as "Contractors."

#### **1. General Conditions**

##### **A. Named Insured**

The Named Insured shall be: "County of Los Angeles, all Special Districts under the Governance of the County Board of Supervisors, and all participating Service Providers, Contractors, Lessees or Tenants who rent or occupy facilities owned or operated by the County. "

##### **B. Additional Insured**

The underwriter shall at the request of the Named Insureds, amend the policy to include additional parties as Insureds as respects liability arising from the operations and activities of the Named Insured(s).

##### **C. Address of Insured**

The primary mailing address for this coverage shall be:

County of Los Angeles  
Chief Administrative Office  
Risk Management Branch  
Risk Management Operations, Attn: Delta Uyenoyama  
3333 Wilshire Blvd., Suite 820  
Los Angeles, CA 90010

#### **2. Coverages and Limits**

All insurance afforded by the policies will be written on an occurrence basis.

##### **A. Primary General Liability**

Coverage shall be written on ISO Commercial General Liability occurrence form CG 00 01, or its equivalent.

Limits of Liability shall be:

\$2,000,000 general aggregate  
\$1,000,000 premises operations  
\$1,000,000 products/completed operations  
\$1,000,000 personal and advertising  
\$1,000,000 per occurrence  
\$ 50,000 fire damage legal liability

**B. Non-Owned and Hired Auto Liability**

Coverage shall be written on ISO Commercial Auto Liability occurrence form CA 00 01, or its equivalent, with Limits of Liability of at least \$1,000,000 each accident.

**C. Professional Liability**

Coverage shall also be available for "miscellaneous" professional liability which ordinarily is excluded under the commercial general liability policy. Please see Technical Exhibit 4 which lists the desired professional categories.

Limits of Liability shall be at least \$2,000,000 general aggregate limit, \$1,000,000 per occurrence limit.

**3. Deductibles**

A deductible of no greater than \$500, including claims adjustment expenses, is desired.

Any deductible(s) shall be applied on a per claim basis. Policies should provide that the participating Contractors will be financially responsible for all deductibles.

**4. Policy Form**

Proposers are not limited to using the existing policies. Proposers however must clearly identify and describe in their proposals any differences or variations between the existing policies and proposed policies.

5. **Term of Insurance**

The term for this insurance program is for a thirty-six month period, commencing May 1, 2007 and extending to April 30, 2010. The terms of the insurance policies are to be for a minimum of 12 months. The insurance program may be extended for up to two 12 month periods at the County's option.

Coverage must be available to Contractors to purchase on an annual or per job/per contract specific basis.

6. **Inspection of County Locations**

It will be assumed that the underwriter(s) has been provided data or has made sufficient investigations, so as to be informed as to the extent and character of the hazards and the requirements of the specifications. To request additional information, please refer to Section 2.5, Proposers' Questions, regarding the process for submittal of questions or request for further information.

7. **Coverages/Perils Excluded**

Proposals must identify and describe any coverage restrictions, warranties or other conditions which limit or restrict coverage. Otherwise, it is assumed coverage will apply without limitation or restriction.

8. **Notice of Cancellation**

Policies must be endorsed to provide at least ninety (90) days written notice of cancellation, intent not to renew, or any substantive change in policy terms or rate. Notices must be made by certified mail to the policyholder at the designated address.

9. **Premiums**

(A) **Premium Rating Schedule:** The proposal should include a schedule which identifies the classification or "hazard" categories which will be utilized to develop premium quotes for Contractors. The schedule also should provide coverage quotes for Contractors on an annual or per job/contract specific basis.

(B) **Minimum and/or Deposit Premiums:** Any required annual minimum or deposit premium(s) which must be paid by the County to establish the master policy or program should be clearly identified in the proposal. Premium quotations must include any applicable taxes and/or fees. However, as noted previously in this RFP, it is the County's intent that the

premiums paid by participating Contractors for this coverage be sufficient to fund program costs, and proposals will be evaluated accordingly.

**10. Other Insurance**

All insurance under this proposal shall at all times be considered primary over any other valid and collectible insurance which may be maintained or available to the County, except as may be noted in the County's specifications. However, this provision is not intended to restrict or limit underwriter's rights of subrogation against other parties which the County has not agreed to indemnify or name as additional insured under this insurance.

**11. Premium Pro-Rate Cancellation**

Premium charges and credits must be applied on a pro-rata basis and not on a "short rate". Cancellation of all or part of the policy or addition or deletion of exposure units will be based on a pro-rata premium adjustment. The underwriter agrees not to impose a surcharge or penalty should the County choose to cancel part or all of the policy at any time.

**12. Conformity to Statute**

Any policy(ies) terms and conditions which are in conflict with the statutes of the State of California or local jurisdictions must be amended to conform to such statutes. The proposer shall advise the named insured of any statute or provision required by law to be stated in or attached to the policy(ies) issued.

**13. Waiver of Subrogation**

Insurance shall not be invalidated because the County elects to waive, by contract or agreement, any or all rights of subrogation or recovery against any party for loss. It is the responsibility of the underwriters and not the County to pursue and collect subrogation and recoveries.

**14. Breach and Compliance with Warranty**

Insurance shall not be invalidated or affected by a breach or failure of the County or any insured to comply with any warranties or conditions which are unknown, beyond the control of, or not the responsibility of the County.

## **II. SPECIAL EVENTS LIABILITY**

### **1. General Conditions**

#### **A. Named Insured**

The Named Insured shall be: "County of Los Angeles, all Special Districts under the Governance of the County Board of Supervisors and all Special Events Participants." A separate endorsement as "Additional Named Insured," for the Descanso Gardens Guild will be provided upon the County's request.

#### **B. Additional Insured**

The "Additional Insured" endorsement would be limited to the exposures as covered under the Certificate of Insurance and the full disclosure as to the activities of the "Additional Insured" prior to determining if they could be endorsed to the policy.

#### **C. Address of Insured**

The primary mailing address for this coverage shall be:

County of Los Angeles  
Chief Administrative Office  
Risk Management Branch  
Risk Management Operations, Attn: Delta Uyenoyama  
3333 Wilshire Blvd., Suite 820  
Los Angeles, CA 90010

### **2. Coverages and Limits**

All insurance afforded by the policies will be written on an occurrence basis.

#### **A. Primary General Liability**

Coverage shall be written on ISO Commercial General Liability occurrence form CG 00 01, or its equivalent. Limits of Liability shall be:

\$1,000,000 general aggregate  
\$1,000,000 premises operations  
\$1,000,000 products/completed operations  
\$1,000,000 personal and advertising  
\$1,000,000 per occurrence  
\$ 50,000 fire damage legal liability



**3. Deductibles**

A deductible of no greater than \$500, including claims adjustment expenses, is desired.

Any deductible(s) shall be applied on ~~an occurrence basis and not on~~ a per claim basis. Policies should provide that the participating Event Sponsors will be financially responsible for all deductibles.

**4. Policy Form**

Proposers are not limited to using the existing policies. Proposers however must clearly identify any differences or variations between the existing policies and proposed policies.

**5. Term of Insurance**

The term for this insurance program is for a thirty-six month period, commencing May 1, 2007 and extending to April 30, 2010. The terms of the insurance policies are to be for a minimum of 12 months. The insurance program may be extended for up to two 12 month periods at the County's option.

Coverage must be available for Sponsors of both single day and multi-day events.

**6. Inspection of County Locations**

It will be assumed that the underwriter(s) has been provided data or has made sufficient investigations, so as to be informed as to the extent and character of the hazards and the requirements of the specifications. To request additional information, please refer to Section 2.5, Proposers' Questions, regarding the process for submittal of questions or request for further information.

**7. Coverages/Perils Excluded**

Proposals must identify and describe any coverage restrictions, warranties or other conditions which limit or restrict coverage. Otherwise, it is assumed coverage will apply without limitation or restriction.

**8. Notice of Cancellation**

Policy(ies) must be endorsed to provide at least ninety (90) days written notice of cancellation, intent not to renew, or any substantive change in policy terms or rate. Notices must be made by certified mail to the policyholder at the designated address.

## 9. Discovery and Notice of Loss

The policies will contain an endorsement stipulating discovery and knowledge of any loss, damage, incident, or occurrence which may give rise to a claim or suit under this insurance will be deemed to occur when the County's Chief Administrative Office, Risk Management Branch, Risk Management Operations Section becomes knowledgeable and informed of such incident or occurrence.

## 10. Premiums

(A) Premium Rating Schedule: The proposal should include a schedule which identifies the classification or "hazard" categories which will be utilized to develop event sponsor premium quotes. The schedule also should provide coverage quotes to be for Event Sponsors on a single or multi-day basis. This also would include events held on a periodic basis, usually weekly or monthly.

(B) Minimum and/or Deposit Premiums: Any required annual minimum or deposit premium(s) which must be paid by the County to establish the master policy or program should be clearly identified in the proposal. Premium quotations must include any applicable taxes and/or fees. However, as noted previously in this RFP, it is the County's intent that the premiums paid by participating Event Sponsors for this coverage be sufficient to fund program costs, and proposals will be evaluated accordingly.

## 11. Other Insurance

All insurance under this proposal shall at all times be considered primary over any other valid and collectible insurance which may be maintained or available to the County, except as may be noted in the County's specifications. However, this provision is not intended to restrict or limit underwriter's rights of subrogation against other parties which the County has not agreed to indemnify or name as additional insured under this insurance.

## 12. Premium Pro-Rate Cancellation

Premium charges and credits must be applied on a pro-rata basis and not on a "short rate". Cancellation of all or part of the policy or addition or deletion of exposure units will be based on a pro-rata premium adjustment. The underwriter agrees not to impose a surcharge or penalty should the County choose to cancel part or all of the policy at any time.

**13. Conformity to Statute**

Any policy(ies) terms and conditions which are in conflict with the statutes of the State of California or local jurisdictions must be amended to conform to such statutes. The proposer shall advise the named insured of any statute or provision required by law to be stated in or attached to the policy(ies) issued.

**14. Waiver of Subrogation**

Insurance shall not be invalidated because the County elects to waive, by contract or agreement, any or all rights of subrogation or recovery against any party for loss. It is the responsibility of the underwriters and not the County to pursue and collect subrogation and recoveries.

**15. Breach and Compliance with Warranty**

Insurance shall not be invalidated or affected by a breach or failure of the County or any insured to comply with any warranties or conditions which are unknown, beyond the control of, or not the responsibility of the County.

2/22/07

g/amr/RFP 2006/Board Letter 2007 – Technical Exhibit 3 – Revised Final 2-22-07

***COUNTY'S SEPTEMBER 2006  
REQUEST FOR PROPOSALS  
(INCORPORATED BY REFERENCE)***

## **EXHIBIT C1**

# **CONTRACTORS LIABILITY INSURANCE PROGRAM**

# **S.P.A.R.T.A.**

September 22, 2006

## **SERVICE PROVIDERS AND ARTISAN TRADESMAN ACTIVITIES**

### **WHAT IS SPARTA:**

SPARTA was designed to provide Commercial General Liability, Excess General Liability, Professional Liability and Non-owned Automobile Liability coverage to tradesmen, artisans, contractors and tenants who would not otherwise be able to provide the insurance limits needed to successfully bid and compete for Public Entity business opportunities.

### **THE SPARTA ADVANTAGE:**

- Allows the Public Entity to access small local contractors and minority tradesmen thereby keeping their budget dollars within their community.
- Eliminates the costly and often difficult task of acquiring, confirming and storing Certificates of Insurance received from contractors.
- Provides the Public Entity with monthly reports as to the number of participants, size of the contracts, loss information and specific department activity.
- The collection of premiums, assessment of exposures and the production of the **SPARTA PROGRAM** are the total responsibility of Municipality Insurance Services, Inc.
- Provides the Public Entity with a policy of insurance that has been tailored to their specific requirements and needs.
- Enhances the fairness and openness of the entire bid process.

### **ADVANTAGE TO TRADESMAN, CONTRACTOR OR VENDOR**

- No hassle 24-hour quote turnaround.
- Does not require any prior insurance coverage, application or loss runs to participate in the **SPARTA PROGRAM**.
- Allows contractors to purchase coverage for a specific job or contract they have received, thereby lowering their insurance costs.
- Tradesmen, contractors and vendors receive insurance coverage that has been pre-approved by the Public Entity.

## **HOW DOES SPARTA WORK?**

The artisan, consultant, contractor, vendor or tradesman would call our toll free 800 number. One of our licensed professionals would determine the scope of work performed and what coverages are required by the Public Entity. After ascertaining the kind of work performed and the length of the contract, we would fax or mail the potential contractor a quotation. This document contains specific information they will require to purchase the coverage. If they elect to use the **SPARTA PROGRAM**, they send a cashier's check or money order for the amount of the premium. Upon receipt of this, we will issue a Certificate of Insurance based on the Public Entity's pre-approved master policy and coverage will be activated. The **SPARTA PROGRAM** offers premium financing on annual policies with premiums greater than \$1,000.00. Our website [www.2sparta.com](http://www.2sparta.com) provides for payment by credit card.

At the end of each month, we provide the Public Entity with a copy of all the contractors, vendors and tradesmen who have been issued coverage through the program. This report includes the name of the contractor, the contract or voucher number, when available, the premium paid, department requesting the coverage and what lines of coverage were written. A copy of each certificate issued will be attached to this report. The Public Entity will also receive a claims status report of any new or ongoing claims. Our office will notify the participating certificate holder sixty (60) days prior to expiration of coverage and notify your office if they fail to renew their coverage.

## **HAS SPARTA BEEN SUCCESSFUL?**

The City and County of Los Angeles, the Los Angeles World Airports, the City and County of San Francisco, the County of San Bernardino, the County of San Diego, the San Diego Port and Airport Authority, the County of Santa Barbara and numerous other Public Entities in California are currently using the **SPARTA PROGRAM** with great success. Thousands of small and local contractors contact us each year and we are able to assist them in securing the insurance coverage they would not otherwise be able to obtain. **SPARTA** has been in use for ten years and has had 1 claim during that period. We continue to grow in the number of participants and our ability to provide insurance programs with a variety of enhancements and new coverage lines. Our office is continuing to work on new lines of coverage with the help of the member cities and counties and public entities. Look for **SPARTA** to continue to offer more advantages to our participants in the year 2007.

## **HOW DO YOU ACCESS SPARTA?**

Accessing the **SPARTA PROGRAM** is as simple as a toll free telephone call. Our toll free number is 1-800-420-0555. Our fax number is 1-714-687-1106. You may also access our web site at [www.2sparta.com](http://www.2sparta.com) or e-mail us at [carol@2sparta.com](mailto:carol@2sparta.com). We will be looking forward to hearing from you. Give us a call and we will do the rest.

# **THE SPARTA PROGRAM**

**September 22, 2006**

## **Service Providers & Artisan Tradesman Activities Liability Program**

1. **POLICY FORMS:** Commercial General Liability-New Occurrence Form  
Designated Professional Liability (by endorsement)  
Miscellaneous Medical Malpractice (by endorsement)  
Non-Owned Automobile Liability (by endorsement)  
Excess Following Form Liability
2. **POLICY LIMITS:** Commercial General Liability  
\$1,000,000 Per Occurrence  
\$2,000,000 General Aggregate  
\$1,000,000 Products and Completed Operations  
\$1,000,000 Personal and Advertising Injury  
\$ 50,000 Fire Damage (any one fire)  
\$ -0- Excludes Medical Payments  
  
Coverage Available by Endorsement to the General Liability  
\$1,000,000 Professional Liability  
\$1,000,000 Non-Owned Automobile Liability
3. The following enhancements are available:
  - a. Excess Following Form Liability Limits of \$4,000,000.
  - b. Increase the aggregate limit from \$2,000,000 to \$3,000,000.
4. Deductible: \$500.00 Bodily Injury and Property Damage Per claim including loss adjustment expense. The participating public entity will be responsible for payment of the deductible if the certificate holder defaults or is unable to pay.
5. Claims to be reported to Municipality Insurance Services, Inc. Should a claim be received by either the Public Entity or Municipality Insurance Service, Inc., it will be the responsibility of the recipient of the report to inform all parties; the Public Entity, agent and carrier as soon as possible.
6. Policy will be issued with the following named insured:

Service Providers & Artisan Tradesman  
Activities General Liability Program for the designated Public Entity.



7. The following will be "Named Additional Insured":
  - a. The participating Public Entity and its Departments
  - b. Each Certificate Holder
8. The following may be added as Additional Insureds to specific Certificates as needed for a charge of \$100.00 each and applicable tax and fee:
  - a. Adjacent property owners, public or private, who grant the Public Entity or the certificate holder access via their premises.
  - b. Benefactors, public agencies or private, non-profit organizations who contribute or distribute funds for projects.
  - c. Additional interest parties: construction managers, design professionals, adjacent public utilities, railroads, co-operating public agencies not directly involved in construction activities.
9. General Contractors may be named as Additional Insured's in conjunction with projects funded by the Public Entity and as long as the subcontracted work meets the Hazard I and II guidelines and does not appear on the prohibited list. A charge will be made for this service of \$100.00, plus applicable SLA tax and fee. An extra copy of the certificate will be provided.
10. Master policy to issued by Essex Insurance Company, (Best rated AXI), for a one (1) year effective period with coverage to be extended for an additional twelve (12) months after expiration for certificates issued during that policy period even if the policy is not renewed by the election of either the participating Public Entity or the Company.
11. A Certificate can be issued in several ways:
  - a. For the specified contract awarded with the effective date of the certificate to coincide with the effective date of the specific contract and to expire in accordance with the contract period not to exceed twelve (12) months from the date of issuance. Example: If the Public Entity issued a three (3) year contract the certificate would be issued for twelve (12) months and the premium would be predicated on one third of the contract value. If at the end of that twelve (12) month period the program is still in use, they would need to be issued a new Certificate for an additional twelve (12) months based on one-third of the total original contract value. Coverage may be limited to the specific contract the Certificate is issued for.
  - b. Certificates issued for a specific project and length of time can be extended if the project is extended on a monthly basis as needed as long as there is no lapse in coverage.
  - c. Certificate of Insurance can be issued on an annual basis for those suppliers, contractors and vendors who work on an "as needed basis" or provide a service on an annual basis.

12. All premiums will be subject to a Surplus Lines Tax and Stamping Fee. Commercial General Liability will have a fully earned Certificate fee based on 1% of the premium written with a \$100.00 minimum fee. A \$100.00 fully earned minimum fee will be charged for each additional line of coverage written or 1% of the written premium which ever is greater.
13. Certificates will be issued by Municipality Insurance Services, Inc., and will be issued under a "block" of sequential numbers to be determined at the time the master policy is issued.
14. Each Certificate will have four (4) copies to be dispersed as follows: the Certificate Holder, the Public Entity, Municipality Insurance Services, Inc., the Surplus Lines Broker and Essex Insurance Company. Disbursement will be the responsibility of Municipality Insurance Services, Inc.
15. Premiums will be collected at the time of issuance of the certificate by Municipality Insurance Services Inc. **Premiums will be paid by the vendor of contractor by cashier's check or money order all such premiums will be fully earned at inception. No refunds will be given after inception.**
16. Municipality Insurance Services, Inc. will provide the Public Entity, the General Agent and the Company with a monthly report of all certificates issued from the first calendar day of the month to the last calendar day of the month. This report will be dispersed to the Public Entity, the General Agent and the Company no later than the 10<sup>th</sup> day of the following month.
17. Exposures will be divided into seven (7) hazard classes based on exposure:

Hazard I-	Service Providers
Hazard IA-	Tenants
Hazard IB-	Vendors and Push Carts
Hazard II-	Artisan Contractors & Tradesman
Hazard IIA-	Emergency Shelters & Group Homes
Hazard IIB-	General Liability with Professional Liability
Hazard III-	Prohibited Operations

18. **Service operations** will be classified as **Hazard I exposures**. The rate will be .75% of the contract value. Contracts with 90 days or less in duration and \$90,000 or less in contract value are subject to the following minimum premium schedule:

Contract Values	Minimum Premium
0-\$12,500	\$350.00
\$12,501-\$25,000	\$425.00
\$25,001-\$37,500	\$500.00
\$37,501-\$90,000	\$650.00

Contracts exceeding the 90 days, but with less than \$90,000 in contract value will be charged \$75.00 for each additional month not to exceed an annual charge of \$950.00. Minimum annual premium for this class will be \$950.00 Plus a \$100.00 certificate fee and SLA Tax and Fee.

**19. Hazard Class I Schedule without Professional Liability (To include but not limited to the following):**

Caterers (With no public exposure)  
Computer software (incl. Training classes)  
Distributors (all varieties)  
Electronic data processing  
Express Companies  
Freight forwarders  
Laundries  
Mailing/addressing companies  
Office machine service/repair  
Office machine installation  
Paper products distributors  
Photographers  
Printers  
Temporary employment agencies  
Rental companies (other than autos or contractor equipment)  
Uniform suppliers  
Vending machine operations

**HAZARD CLASS I RISKS INCLUDING MISCELLANEOUS PROFESSIONAL LIABILITY WILL BE CLASSIFIED AND RATED AS HAZARD II B.**

20. **Hazard Class I-A** was designed for risks that lease, rent, or occupy space owned by the Public Entity. It provides the full SPARTA coverage limits with the stipulation that products may be excluded if they are determined by the underwriter to be too hazardous. (Should products be excluded the certificate and quotation will be clearly noted.) The premium is based on the number of square feet occupied and can be written short term or annually. Rates and minimum premiums are as follows:

Building or Premises-\$75.00 per month per 1,000 sq. ft., occupied or \$350.00 per 1,000 sq. ft. occupied annually-annual min. premium \$950.00

Parking Private-County property rented to others: \$25.00 per vehicle per day or \$350.00 per vehicle annually. Annual minimum premium \$950.00

\*Parks or open land-rented or leased to others: \$250.00 per day or \$350.00 per acre annually. Annual minimum premium \$950.00

**\*Parks that host or sponsor athletic events or playing fields are excluded from this class.**

21. **Hazard Class IB** was designed for pushcart, snack bars and kiosks occupying space on city, county or public entity property. They must be licensed by the city, county or public entity and have a permit. Food service occupancies must have a current Health Department Permit. The premium basis is per location. Rating classes are as follows:

Vendors, pushcarts, snack bars and kiosks selling non-food items or food packaged and process by others and not heated or reheated will be charged \$250.00 annually.

**Examples:** Shoeshine stands, flowers, canned soda, bottled water, packaged chips, cakes or candy, newspapers, books or magazines.

Vendors, pushcarts, snack bars and kiosks selling food items that are heated, reheated, cooked or packaged by the vendor will be charged \$275.00 annually.

**Examples:** Hot dogs, dispenser soda or ices, coffee, fruit or vegetables, pretzels, cotton candy, popcorn and unpackaged bakery goods.

Coverage may be purchased biannually or annually only.

22. **Artisan contractors and tradesman** will be classified as **Hazard II** exposures. The premium will be 1% of the contract value. Contracts with 90 days or less in duration and \$95,000 or less in contract value will be subject to the following minimum premium schedule:

Contract Values	Minimum Premiums
0-\$ 16,250	\$450.00
\$16,251-\$ 33,000	\$650.00
\$33,001-\$ 50,000	\$825.00
\$50,001-\$ 95,000	\$950.00

Contracts exceeding 90 days but with contract values of \$95,000 or less will be charged a flat \$55.00 for each additional month not to exceed an annual flat charge of \$1,000.00, plus the SLA tax and fee. The annual minimum premium for this class will be \$1,000.00, plus \$100.00 certificate fee and the SLA tax and fee.

23. **Hazard Class II Schedule** (To include but not limited to the following):

Alarm installation, service or repair  
Automobile service or repair-excl. emergency service or public transit vehicles  
Cabinetmakers  
Cable or telephone system installation  
Carpentry-all classes  
Carpet cleaning and installation  
Caterers (with public exposure)  
Communications equipment installation  
Consultants (with public exposure)

Cement or concrete floors  
 Concrete construction  
 Conduit construction-within buildings or repair & service of existing lines  
 Debris removal  
 Decorating  
 Demolition-under two stories-no explosives or wrecking ball  
 Door or window installation or repair  
 Drywall/wallboard installation or repair  
 Electrical work within buildings  
 Excavation  
 Fence installation or repair  
 Fire extinguisher service  
 Fire suppression systems installation, service or repair  
 Floor covering installation  
 Furniture or fixtures installation, service or repair  
 Glass installation  
 Grading of land  
 Graffiti removal  
 Heating and air conditioning installation, service or repair  
 Janitorial service  
 Landscaping, lawn mowing, tree trimming or gardening  
 Locksmiths  
 Metal erection-artistic or decorative  
 Masonry work  
 Modular building erection  
 Painting-interior  
 Painting-exterior under three (3) stories  
 Paper hanging  
 Pest control  
 Plumbing  
 Security guards-unarmed only-excluding rock concerts and sporting events and airports  
 Sheet metal work  
 Sign painting and lettering within buildings or under two (2) stories  
 Shuttle bus terminal coverage only excluding loading and unloading  
 Street sweepers (excluding automobile liability)  
 Tile, stone or marble installation  
 Window cleaning-interior  
 Window cleaning-exterior under three (3) stories

Note: General Contractors may be written in the program as long as the work they are performing conforms with the program guidelines and any subcontractors hired by them are also certificate holders in the program or provide proof of insurance with like limits naming our insured and the public entity as "Additional Insured's". **Residential Construction Contractors are excluded from this program.**

24. **Hazard Class IIA-** This Hazard Class is intended for homes, halfway houses, and other facilities set-up to provide sanctuary, assistance or shelter to victims of abuse, domestic violence, public disaster, homeless and temporarily displaced persons. The premium is calculated based on the number of beds and the

designated use. The program is limited to a total of 15 beds at any one location. Not available to organizations providing shelter for parolees or youthful offenders. The premiums stated below are for General Liability and Professional Liability combined. A Care Providers Endorsement (M/E-029) and Habitational Endorsement (M/E-091) are mandatory endorsements. (Exhibit #3). **This coverage is intended for temporary shelter only. Residential Living Facilities are ineligible.**

No. of Beds	Abused Children			Emergency Shelters
	Women's Shelter	Halfway House	Group Homes	
1-7	\$1,000	\$1,500	\$2,500	\$1,500
8-15	\$2,000	\$2,500	\$3,500	\$2,500

25. **Hazard IIB-** Commercial General Liability written in conjunction with Miscellaneous Professional Liability for operations eligible for coverage under the exposures listed in Hazard I & II. Commercial General Liability rate will be 1.25% of the annual contract value subject to \$1,250 minimum annual premium. Professional Liability will be subject to a minimum premium of \$1,250.00 or 1.25% of the annual contract value (which ever is greater).

26. **Hazard Class III-** the following operations are not eligible for the program and are prohibited operations:

- Airport control tower construction, service or repair
- Airport control tower equipment installation, service or repair
- Airport runway or warming apron construction, service or repair
- Airport security
- Aircraft service or maintenance
- Ambulance services
- Alarm monitoring
- Blasting operations
- Boat or shipbuilding
- Bridge or elevated highway construction
- Building structure raising or moving
- Caisson or cofferdam work
- Construction of buildings-more than one (1) story
- Dredging
- Drilling
- Earthquake retrofitting (not to include repair or debris removal)
- Electric light or power line construction
- Elevator repair, service or installation
- Emergency or rescue services
- Fire proofing (not to include fire suppression installation, service or repair)
- Garbage, ash or refuse collection (not to include janitorial operations)
- Gas mains or connections construction
- Metal work or erection-structural or load bearing

Pier or dock construction or repair  
Pile driving  
Pipeline construction or installation  
Railroad construction or repair  
Residential Construction Operations  
Tank construction or installation  
Street, road or highway construction, paving or re-paving  
Primary construction of the following:  
Steam mains or connections  
Sewer main or storm drain construction  
Water or sewer man construction  
Underpinning of buildings or structures

27. Municipality Insurance Service, Inc. will provide the public entity with materials explaining the program and how the service providers and contractors can access the program.

- A. Flyers will be provided with the toll free 800 number.
- B. hard copy quotations will be provided to the service providers with copies the Public Entity at their request.
- C. municipality Insurance Services, Inc. will attend seminars, workshops, meetings, as the Public Entity deems necessary to promote the **SPARTA PROGRAM**.

### **SPARTA QUESTIONS AND ANSWERS**

Q. Can exposures, other than those listed in the Hazard Classes be written in the **SPARTA Program**?

A. Yes, the Hazard Class examples provide a guideline for the type of risks we are interested in but other exposures should not be excluded. For an example, we had an artisan who had received a bid to create and install a tile mosaic at one of the airports. We listed him as a Hazard Class II-tile, stone or marble installation.

Q. If a contractor or consultant has his Commercial General Liability elsewhere, but still needs Professional Liability and Non-owned Automobile coverage, can you write just those coverages with **SPARTA**?

A. No, Non-owned Automobile Liability, Professional Liability and Miscellaneous Medical Malpractice coverage are all endorsements to the **SPARTA Program** and must be written in conjunction with **SPARTA Commercial General Liability**.

Q. How does the Non-owned Automobile Liability meet the Public Entity's auto insurance requirement for Owned, Non-owned and Hired Auto?

A. The **SPARTA Non-owned Automobile Endorsement** reads as follows, "Coverage Applies only to the Public Entity as limited to the specific work performed under this Certificate." This endorsement indemnifies the Public Entity for any automobile not owned or hired by them. Example: Consultant is using his own automobile while working for the Public Entity. He has his private insurance with limits of

\$15K/30K/5K, as required by the State of California. We write a Non-owned Automobile endorsement and it provides \$1,000,000 in coverage for the Public Entity should they be drawn into a suit as a result of the consultant's actions.

- Q. Will SPARTA provide Non-owned Automobile coverage for all Public Entity Contractors?
- A. No, we will not provide the coverage for vehicles with a primary commercial exposure, such as dump trucks, buses, commercial haulers, or vehicles for hire. We will write contractors who use their private passenger automobile during the execution of their work for the Public Entity.
- Q. What about Medical Malpractice Liability? Does SPARTA write this coverage for doctors?
- A. We offer this coverage to doctors, nurses and all types of health aide practitioners who do non-invasive treatment. Visiting nurses, mobile x-ray technicians, hospice care providers and doctors in a consulting position.
- Q. If a coverage for a specific class of contractor was needed would SPARTA consider providing coverage?
- A. Almost all the enhancements to the SPARTA Program have been generated exactly that way. For example: Los Angeles World Airports needed to provide some reasonably priced coverage for vendors at the airport. We created Hazard Class IA to meet that need.
- Q. Is it acceptable for one of us to call the SPARTA 800 number if we have a question?
- A. We invite you to contact us and we will try to be of assistance to you whenever possible.

### **How SPARTA Works:**

The following are examples of actual SPARTA participants.

Example 1. The contractor is a consultant doing data analysis, survey research, and program assessment of outcomes for CALWORKS evaluations. He will also develop neighborhood indicators for the MDRC project, population and poverty estimates for URD. Will be responsible to coordinate the data to various agencies. The consultant will have contact with the public. Contract requires Commercial General Liability, Professional Liability and Non-owned Automobile Coverage on an annual basis. Contract value \$88,840.00.

**SPARTA Premium and underwriting as follows:** Consultant was determined to be a Hazard Class IIB due to the professional liability. Since his contract value was less than \$95,000, the consultant was able to receive the minimum annual premium for a Hazard IIB with Professional Liability enhancement calculated at \$1,250.00 GL and \$1,250 Professional Liability, the minimum premiums for this exposure. Non-owned Auto coverage is a flat \$250.00 per vehicle and he had only one vehicle. The final premium calculations were as follows:



Commercial General Liability	\$1,250.00 + \$125 Certificate Fee + State taxes & fees
Professional Liability	\$1,250.00 + \$125 Certificate Fee + State taxes & fees
Non-owned Automobile	\$ 250.00 + \$100 Certificate Fee + State taxes and fees
Total Insurance Cost	<u>\$2,750.00</u> + \$350 Certificate fee for a
Total of	\$3,100.00 + State taxes and fees

Example 2. The contractor is a translator for Public Social Services with a contract value \$90,000 and is required to have Commercial General Liability and Automobile Liability.

**SPARTA Premium and underwriting as follows:** Written as a consultant with a public exposure, Hazard II. Annual contract value was less than \$95,000.00. Commercial General Liability written at a minimum premium of \$1,000.00, plus single car Non-owned Automobile coverage at \$250.00 and a \$200.00 certificate fee for a total of \$1,450.00 annual premium plus State taxes and Stamp fees.

Example 3. Photocopy repair and cleaning service need an annual policy but the contract value was less than \$10,000.00. Required to have Commercial General Liability only. No public exposure and would come on an "as needed basis" only. Determined that they would be used less than thirty (30) days per year.

**SPARTA Premium and underwriting as follows:** No public exposure makes this risk a Hazard I at the minimum premium of \$350.00 and a \$100.00 certificate charge for a total annual premium of \$450.00 plus State taxes and Stamp fee .

Example 4. Artisan contractor doing an office remodeling job with a contract value of \$28,000.00. Contract duration sixty (60) days. Required to have Commercial General Liability only.

**SPARTA Premium and underwriting as follows:** Construction contractor Hazard II with less than ninety (90) days in duration and less than \$95,000.00 in contract value would be charged \$650.00 premium plus a \$100.00 certificate fee for a total of \$750.00 and State taxes & Stamp fees.

Example 5. A grant program for after school care. Will have 75 to 100 students each day from 2:00 p.m. until 6:00 p.m. They will provide tutoring service, arts and crafts and organized games. The grant amount is \$128,000.00 annually. They are required to name the school as an "additional insured."

**SPARTA Premium and underwriting as follows:** They would be rated as a Hazard Class II due to the public exposure. The base premium for Commercial General Liability would be \$1,280.00. There is no charge for naming the school as an "Additional Insured" because this is a non-profit covered under the general terms of "Who is an Additional Insured." The premium would be subject to State taxes and Stamp fees and a \$128.00 certificate fee. The annual cost would be \$1,408.00 plus the State taxes and Stamp fees.

Example 6. Masonry contractor is going to build a retainer wall. The contract is requiring him to have Commercial General Liability only and the work will be completed in thirty (30) working days with a contract value of \$12,000.00.

**SPARTA premium and underwriting as follows:** The contractor would be a Hazard II with less than \$95,000.00 in contract value and less than ninety (90) contract days. He would be charged the minimum premium of \$450.00 plus a \$100.00 certificate charge for a total of \$550.00 and the State taxes and Stamp fees.

Example 7. An outside contractor is hired to give a seminar to County employees on health and safety. His contract requires he carry Commercial General Liability. He is being paid \$2,200.00 for three (3) classes to be held on County property.

**SPARTA premium and underwriting as follows:** The contractor would be considered a Hazard I risk with less than a ninety (90) day contract and his premium would be \$350.00 and a \$100.00 certificate charge for a total of \$450.00 plus State taxes and Stamp fees.

## **EXHIBIT C2**

### **SPECIAL EVENTS LIABILITY INSURANCE PROGRAM**

# **Municipality Insurance Services, Inc.**

302 W. Cerritos Ave., Bldg. 7, Anaheim, CA 92805-6550

Tel: (714) 687-1100 (800)420-0555 Fax: (714) 687-1106

License # OCO4849

## **Special Event Tenant Users Liability Insurance Policy (SELIP)**

### **Master General Liability Policy for Venues covering Special Events**

The TULIP is an open reporting General Liability Policy written in the name of the tenants and users of the public facilities of a venue.

The Master Policy is delivered to your insured's venue, which is automatically added as Additional Insured at no cost.

The TULIP Program offers the following **Advantages**:

- The ability for the venue to manage their liability risk. The venue will have prior knowledge of the coverage terms and conditions without depending on the user.
- You, the broker, have authority to bind most risks without referring an account to the EBI Underwriter.
- TULIP is a promotional tool for the venue to attract users by having insurance readily available.
- The user is relieved of the responsibility of obtaining insurance acceptable to the venue.
- The cost is low to the venue and the tenant user, eliminating high minimum premium requirements.
- The reporting procedures are streamlined, convenient and functional for both the venue and the user.

This is NOT a Public Entity Insurance Program and will not replace or participate with the general insurance program of any Public Entity, University or other Facility Owner/Operator. The Lessors/Venues must still carry their own coverage.

## TULIP General Liability Rating Schedule

All Rates are based on the following limits each event:

General Aggregate Limit	None
Products & Completed Operations Aggregate Limit	\$1,000,000
Each Occurrence Limit	\$1,000,000
Personal & Advertising Injury Limit	\$1,000,000
Fire Damage Limit	\$50,000 any one fire
Medical Payments Limit	Excluded
Liquor Liability Aggregate Limit	\$1,000,000
Each Common Cause Limit	\$1,000,000

### TULIP Rating: Daily Rates (1-4 Days)

Daily Attendance	Class 1	Class 2	Class 3	Additional Premium for Liquor Liability
A. 1-50	\$60.00	\$115.00	\$155.00	\$75.00
B. 51-100	\$75.00	\$115.00	\$155.00	\$75.00
C. 101-500	\$125.00	\$160.00	\$215.00	\$185.00
D. 501-1500	\$155.00	\$225.00	\$310.00	\$260.00
E. 1501-3000	\$200.00	\$315.00	\$435.00	\$380.00
F. 3001-5000	\$300.00	\$425.00	\$625.00	\$490.00

Add 10% to the premium for each Additional Insured (other than the program sponsor and venue), up to a maximum of \$1,000.

### TULIP Rating: Rates (5 or More Days)

Total Attendance	Class 1	Class 2	Class 3	Additional Premium for Liquor Liability
A. 1-100	\$115.00	\$210.00	\$300.00	\$110.00
B. 101-500	\$175.00	\$265.00	\$360.00	\$275.00
C. 501-1500	\$250.00	\$355.00	\$455.00	\$435.00
D. 1501-3000	\$335.00	\$460.00	\$580.00	\$600.00
E. 3001-5000	\$450.00	\$625.00	\$785.00	\$760.00

Add 10% to the premium for each Additional Insured (other than the program sponsor and venue), up to a maximum of \$1,000.

## Vendors Liability Rate Schedule

The following rates and premiums are to be applied in addition to the above premiums

Exhibitors	No Sales	\$55 per day/per exhibitor up to a maximum of \$300 per day
Concessionaires	Non-Food Sales	\$80 per day/per exhibitor up to a maximum of \$425 per day
Concessionaires	Food Sales	\$90 per day/per exhibitor up to a maximum of \$475 per day
Attractions	Performers	\$185 per day/per exhibitor up to a maximum of \$950 per day

**Products Liability Coverage** is excluded on all vendors, concessionaires and exhibitors of non food sales and demonstrations.

### --OPTIONAL--SEPARATE POLICY--

### Tenant Users Third Party Property Damage Insurance Program Rating Schedule A

Loss Limit: \$25,000 Aggregate per Event/Occurrence

Deductible: \$250 Per Claim

#### Daily Rates (1-4 or Days)

Daily Attendance	Class 1	Class 2	Class 3
A. 1-5000	\$50.00	\$50.00	\$50.00

#### Extended Use Rates (5 or more Days)

Daily Attendance	Class 1	Class 2	Class 3
A. 1-100	\$50.00	\$50.00	\$75.00
B. 101-500	\$50.00	\$65.00	\$95.00
C. 501-1500	\$50.00	\$75.00	\$105.00
D. 1501-3000	\$60.00	\$95.00	\$115.00
E. 3001-5000	\$70.00	\$110.00	\$130.00

**--OPTIONAL--SEPARATE POLICY--**

**Tenant Users Third Party Property Damage Insurance Program  
Rating Schedule B**

Loss Limit: \$25,000 Aggregate per Event/Occurrence

Deductible: \$250 Per Claim

**Daily Rates (1-4 Days)**

<b>Daily Attendance</b>	<b>Class 1</b>	<b>Class 2</b>	<b>Class 3</b>	<b>Class IV</b>
<b>A. 1-100</b>	\$25.00	\$30.00	\$35.00	\$110.00
<b>B. 101-500</b>	\$30.00	\$40.00	\$50.00	\$275.00
<b>C. 501-1500</b>	\$35.00	\$50.00	\$65.00	\$435.00
<b>D. 1501-3000</b>	\$40.00	\$60.00	\$80.00	\$600.00
<b>E. 3001-5000</b>	\$45.00	\$70.00	\$95.00	\$760.00

**Extended Use Rates (5 or more Days)**

<b>Daily Attendance</b>	<b>Class 1</b>	<b>Class 2</b>	<b>Class 3</b>	<b>Class IV</b>
<b>A. 1-100</b>	\$25.00	\$30.00	\$35.00	\$110.00
<b>B. 101-500</b>	\$30.00	\$40.00	\$50.00	\$275.00
<b>C. 501-1500</b>	\$35.00	\$50.00	\$65.00	\$435.00
<b>D. 1501-3000</b>	\$40.00	\$60.00	\$80.00	\$600.00
<b>E. 3001-5000</b>	\$45.00	\$70.00	\$95.00	\$760.00

**TULIP Class One**

These risks are considered Low Hazard, we have authority to bind:

Anniversary Parties  
Antique Shows  
Art Festivals  
Art Shows  
Auctions  
Auto Shows  
Award Presentations  
Ballets or other Classical Dance Shows  
Banquets  
Bazaars  
Beauty Pageants  
Body Building Contests  
Business Meetings  
Business Shows  
Birthday Parties

Charity Benefits, Auctions, or Sales  
Church Services or Meetings  
Civic Club Meetings  
Classical Music Concerts - Indoors  
Consumer Shows  
Conventions in Buildings  
Craft Shows  
Debuts  
Debutante Balls  
Drill Team Exhibitions  
Educational Exhibitions  
Electronics Conventions  
Fashion Shows  
Fishing Events  
Flower Shows

Garden Shows  
Graduations  
Harvest Festivals - No farm implements or equipment.  
Home Shows  
Jam and Jazz Concerts - Indoors  
Job Fair - Indoors  
Ladies Club Events  
Lectures  
Luncheons  
Meetings - Indoors  
Pageants  
Professional and Amateur Association Meetings

Reunions - Indoors  
Séances  
Scouting Jamborees - no overnight camping  
Seminars  
Social Receptions  
Speaking Engagements  
Symphony Concerts  
Teleconferences  
Telethons  
Trade Shows - Indoors  
Vacation Shows  
Voter Registration  
Wedding Receptions

## **TULIP Class Two**

These risks are considered Medium Hazard, and we have authority to bind:

Bingo Games  
Classical Music Concerts - Outdoors  
Festivals and Cultural Events - Indoors  
Jam and Jazz Concerts - Outdoors  
Job Fairs - Outdoors  
Meetings - Outdoors  
Old Timer Events  
Picnics held at grounds without pools or lakes

Political Rallies  
Reunions - Outdoors  
School Band Competitions or Events  
Soap Box Derbies  
Social Gathering - Outdoor  
Trade Shows - Outdoors  
Union Meetings

## **TULIP Class Three**

These risks are considered Moderate Hazard, and we have authority to bind:

Aerobics and Jazzercise Classes or Events  
Baseball  
Basketball  
Bicycle Rallies (Not Including Races)  
Casino and Lounge Shows  
Country Western Events - No rodeos or rides  
County Festivals and Fairs - No rides  
Festivals and Cultural Events - Outdoors  
Film Showings  
Heads of State Events  
Ice Skating Shows

Junior Athletic Games  
Karate Meets  
Livestock Shows  
Nightclub Shows  
Parades - Under 500 Spectators  
Proms  
Softball Events  
Sporting Events in Buildings - Non-professional  
Theatrical Stage Performances  
Volleyball Events



## **TULIP Class Four**

These risks are considered High Hazard, and **must refer to company:**

Aircraft and Balloon Events	Marathon (Walking, Running, etc.)
Animal Acts and Shows	Mechanical Amusement Devices
Any event with daily attendance over 5,000	Mobile Home Shows
Any risk with Prior Losses	Motorized Sporting Events
Anything not otherwise classified in the guide	Overnight Camping
Armed private security used at an event	Professional Sporting Activities
Block Parties/Street Closures/Street Fairs	Promoters
Boat Shows	Pyrotechnics
Boxing, Wrestling, Hockey and Football Games	Rap and/or Heavy Metal
Carnivals	Rodeos and Roping Events
Circus and Carnivals - Non Domesticated Animals	Rummage Sales
Concerts - Not Otherwise Classified	RV Shows
Evangelistic Meetings	Sidewalk Sales
Exhibitions	Ski Events
Film Production	Swap Meets
Gun and Knife Shows	Swimming, Swimming Pool Facilities
Gymnastic Competitions	Water Activities or Events
Instructional Classes	Tractor Trailer Pulls

## PROPOSER'S EEO CERTIFICATION

MUNICIPALITY INSURANCE SERVICES, INC  
Company Name

302 W. CERRITOS AVE., BLDG 7, ANAHEIM, CA 92805  
Address

330752903  
Internal Revenue Service Employer Identification Number

## GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Proposer certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Proposer has written policy statement prohibiting discrimination in all phases of employment.	(X)	( )
2. Proposer periodically conducts a self-analysis or utilization analysis of its work force.	(X)	( )
3. Proposer has a system for determining if its employment practices are discriminatory against protected groups.	(X)	( )
4. When problem areas are identified in employment practices, Proposer has a system for taking reasonable corrective action to include establishment of goal and/or timetables.	(X)	( )

  
Signature

12-19-06  
Date

CAROL A. FROST - PRESIDENT-CEO  
Name and Title of Signer (please print)

**COUNTY'S ADMINISTRATION**

CONTRACT NO. \_\_\_\_\_

**COUNTY PROJECT DIRECTOR:**

Name: Delta Uyenoyama  
Title: Assistant Division Chief  
Address: 3333 Wilshire Blvd., Suite 820  
Los Angeles, CA 90010  
Telephone: (213) 351-5362  
Facsimile: (213) 252-0404  
E-Mail Address: duyenoyama@cao.lacounty.gov

**COUNTY PROJECT MANAGER:**

Name: Debra Sartori  
Title: Chief Program Specialist  
Address: 3333 Wilshire Blvd., Suite 820  
Los Angeles, CA 90010  
Telephone: (213) 351-5364  
Facsimile: (213) 252-0404  
E-Mail Address: dsartori@cao.lacounty.gov

**COUNTY CONTRACT PROJECT MONITOR:**

Name: Ann Rain  
Title: Program Specialist III  
Address: 3333 Wilshire Blvd., Suite 820  
Los Angeles, CA 90010  
Telephone: (213) 738-2199  
Facsimile: (213) 252-0404  
E-Mail Address: arain@cao.lacounty.gov

## CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: Municipality Insurance Services, Inc.

CONTRACT NO: \_\_\_\_\_

## CONTRACTOR'S PROJECT MANAGER:

Name:

Carol Frost

Title:

President

Address:

302 W. Cerritos Ave. Bldg. #7

Telephone:

714-687-1100

Facsimile:

714-687-1106

E-Mail Address:

Carol@2sparta.com

## CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name:

Lili Kotlar

Title:

Brokerage Assistant

Address:

Telephone:

Facsimile:

E-Mail Address:

Lili@2sparta.com

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail Address:

## Notices to Contractor shall be sent to the following:

Name:

Carol Frost

Title:

President

Address:

Same as above

Telephone:

Facsimile:

E-Mail Address:

## FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

- G1     CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
         AGREEMENT
- G2     CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
         AGREEMENT

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

**EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Non-Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

**NON-EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or



Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or
  7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

**2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

**2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

**2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

**2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  1. Has ten or fewer employees during the contract period; and,
  2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

**2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

## **SAFELY SURRENDERED BABY LAW**

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

[www.babysafela.org](http://www.babysafela.org)

# No shame. No blame. No names.

Newborns can be safely given up  
at any Los Angeles County  
hospital emergency room or fire station.



In Los Angeles County:

1-877-BABY SAFE

1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



State of California  
Gray Davis, Governor

Health and Human Services Agency  
Grantland Johnson, Secretary

Department of Social Services  
Rita Saenz, Director



Los Angeles County Board of Supervisors

Gloria Molina, Supervisor, First District

Wynne Brathwaite Burke, Supervisor, Second District

Zey Yaroslavsky, Supervisor, Third District

Don Knabe, Supervisor, Fourth District

Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

**What is the Safely Surrendered Baby Law?**

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

**How does it work?**

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

**What if a parent wants the baby back?**

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

**Can only a parent bring in the baby?**

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

**Does the parent have to call before bringing in the baby?**

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week as long as the parent gives the baby to someone who works at the hospital or fire station.

**Does a parent have to tell anything to the people taking the baby?**

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

**What happens to the baby?**

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

**What happens to the parent?**

Once the parent(s) has safely turned over the baby, they are free to go.

**Why is California doing this?**

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

**A baby's story**

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernard no under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

---

**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

---

*It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.*



# Sin pena. Sin culpa. Sin peligro.

Los recién nacidos pueden ser entregados  
en forma segura en la sala de emergencia de  
cualquier hospital o en un cuartel de bomberos  
del Condado de Los Angeles.



En el Condado de Los Angeles:

1-877-BABY SAFE

1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



Estado de California  
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos  
(Health and Human Services Agency)  
Grantland Johnson, Secretario

Departamento de Servicios Sociales  
(Department of Social Services)  
Lila Stern, Directora



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito

Yvonne Braunwalter-Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Krane, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta iniciativa también está apoyada por First 5 LA y INFO LINE de Los Angeles.

**¿Qué es la Ley de Entrega de Bebés Sin Peligro?**

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

**¿Cómo funciona?**

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

**¿Qué pasa si el padre/madre desea recuperar a su bebé?**

Los padres que cambien de opinión pueden empezar el proceso de redamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

**¿Sólo los padres podrán llevar al recién nacido?**

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

**¿Los padres deben llamar antes de llevar al bebé?**

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

**¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?**

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

**¿Qué ocurrirá con el bebé?**

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

**¿Qué pasará con el padre/madre?**

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

**¿Por qué California hace esto?**

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adónde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

**Historia de un bebé**

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

---

**Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.**

---

*Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarnos a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.*